

1 Q. Apart from the radio stations which I  
2 believe are identified in this application --

3 A. Yeah.

4 Q. -- have you ever been a co-investor with  
5 Mr. Haag in any radio or television stations?

6 A. What page are we talking about? Let's  
7 identify it, no.

8 MR. COLE: Referring to Exhibit 2 of the  
9 Adams application.

10 THE WITNESS: Yeah, those are the only  
11 radio stations, yeah.

12 BY MR. HUTTON:

13 Q. How about with Mr. Fickinger?

14 A. No, nobody. Those are all --

15 Q. I'm sorry, I'm not understanding.

16 A. Those are all the stations I've been  
17 involved in.

18 Q. What's been the nature of your other  
19 investments with Mr. Fickinger?

20 A. None, except Adams -- Monroe rather. That  
21 was the only one.

22 Q. How about with Mr. Steinfeld?

1           A.    A lot of real estate, a lot of investments,  
2   his principal Shelby Williams, a lot of real estate,  
3   probably some companies that I don't remember right  
4   now, over a period of 20 years or more.

5           Q.    Any broadcast properties?

6           A.    No.

7           Q.    How about with Mr. Umans, have you been a  
8   co-investor with him in any other businesses besides  
9   Adams and Monroe?

10          A.    Yes.

11          Q.    What's been the nature of those?

12          A.    One was the publishing business; probably a  
13   number of businesses. I'm just trying to remember.  
14   Yeah, I think a couple of -- one plastic  
15   manufacturing business; some other businesses over  
16   20, 25 years.

17          Q.    How about with Mr. Leibovitz, have you been  
18   a co-investor with him?

19          A.    Real estate.

20          Q.    How about with Mr. Hill?

21          A.    No, just at Monroe.

22          Q.    Ms. Woron?

1 A. No.

2 Q. And Mr. Podolsky?

3 A. Real estate.

4 Q. Well, to your knowledge, does everyone who  
5 is a stockholder in Adams contribute capital  
6 contributions in proportion to their ownership  
7 interest in the company?

8 A. Exactly.

9 Q. Who asked Mrs. Woron to be an investor in  
10 the company?

11 A. I did.

12 Q. Why did you ask her to be an investor?

13 A. She was in Massachusetts, had contacts with  
14 real estate people and so on. She got us the  
15 broker.

16 Q. Apart from the Article of Incorporation and  
17 bylaws of the company, are there any documents that  
18 govern dealings between the shareholders, such as a  
19 shareholders agreement?

20 A. No.

21 Q. To your knowledge, are there any  
22 outstanding options, warrants, pledges or other

1 contingent interests in the company?

2 A. No.

3 Q. The cover sheet to the application  
4 indicates that it was filed by Bechtel & Cole on  
5 behalf of Adams Communications Corporation. Do you  
6 know who picked Bechtel & Cole to be counsel to  
7 Adams?

8 A. Yes.

9 Q. Who was that?

10 A. I did.

11 Q. Did anyone else participate in that  
12 decision?

13 A. Yes.

14 Q. Who?

15 A. Bob Haag surely did. I don't know if  
16 Fickinger and Umans and Steinfeld or not, but Bob  
17 Haag surely did, but they had represented us before.  
18 Gene Bechtel has done legal work for clients of mine  
19 for -- when we there in Fox, 15, 20 years. I don't  
20 know, a long time, a long relationship with Gene  
21 Bechtel, longer relationship with Erin Fox.

22 Q. The engineering exhibit to the application

1 indicates that it was prepared by Suffa & Cavell,  
2 Inc. --

3 A. Yes.

4 Q. -- as consulting engineers for the company.

5 Do you know who picked that company to prepare the  
6 engineering portion of the application?

7 A. I did.

8 Q. How did you --

9 A. Just talking with Haag.

10 Q. How did you come to pick them with  
11 Mr. Haag?

12 A. We believed they were qualified.

13 Q. Had they done work for you or any company  
14 you owned before?

15 A. Yes.

16 Q. Which company?

17 A. This company.

18 Q. Adams?

19 A. Yes.

20 Q. What was the nature of that prior work?

21 A. In Boston, looking for a Boston site.

22 Q. Had they done any work prior to that?

1           A.    I don't think so, but I wouldn't swear to  
2   it.  We used engineers.  I just don't remember.  I  
3   don't think so, though.

4           Q.    Exhibit 3 to the application references a  
5   loan commitment from American National Bank and Trust  
6   Company in Chicago.

7           A.    Yes.

8           Q.    Who arranged for that loan commitment?

9           A.    Haag or I.

10          Q.    Had that bank provided a loan commitment to  
11   Monroe Communications?

12          A.    No.

13          Q.    Do you know why this bank was selected?

14          A.    They happened to be the bank that this law  
15   firm banks with.  We do legal work for them, all  
16   kinds of relationships.  John McKinnen is a man I  
17   would consider not only a banker, but a friend of  
18   myself, Robert Haag, Bill Podolsky, all three of us;  
19   maybe more of the people, possibly Umans, I'm not  
20   sure.

21          Q.    That same paragraph references a commitment  
22   by the shareholders to contribute funds for

1 prosecution of the application.

2 A. Uh-huh.

3 Q. Do you know if that commitment was ever  
4 committed to writing?

5 A. It was not.

6 Q. And the prior paragraph on that page  
7 references an estimated budget of \$4.5 million.

8 A. Uh-huh.

9 Q. Do you know who prepared that analysis of  
10 that estimate?

11 A. I don't remember. I remember we did it. I  
12 told the people what we felt everybody would be  
13 prepared to ante up for. This is a very strong  
14 financial group. That kind of money is not a  
15 difficult problem.

16 Q. I'm confused, why did you tell people to be  
17 ready to ante up for it if you had a loan commitment  
18 that exceeded the proposed budget?

19 A. We didn't know that we wanted to borrow it  
20 frankly. We wanted to have plenty of money. Milt  
21 Podolsky is a client of yours. Talk to your office  
22 about the way Milt funds situations.

1           Q.   He is not a client.  He has interests in  
2   companies that are clients.

3           A.   Those clients are Milton's companies.  
4   Milton is a client of mine too.  Ask them about  
5   Milton and the way he funds situations.  I'm sure  
6   your lawyers know about it.  We adequately fund our  
7   situations.

8           Q.   I'm not here to get into an argument with  
9   you and --

10          A.   I'm not arguing with you.  I'm giving you  
11   some facts.

12          Q.   I'm not here to take instructions from you  
13   about what I should do.

14          A.   I would talk to my partners.  Take it as  
15   instructions or whatever you damn please, but take  
16   it.

17          Q.   When you asked the other members of the  
18   group to be ready to ante up, did you ask them for  
19   any balance sheets as to their financial status?

20          A.   No.

21          Q.   Did any of them provide balance sheets as  
22   to their financial status?



1 A. Yes.

2 Q. Who did?

3 A. Everybody.

4 Q. If you hadn't asked for the balance sheets,  
5 why did they provide them?

6 A. I did ask for the balance sheets. You  
7 didn't ask the question that way.

8 Q. I'm sorry. So you did ask everyone to  
9 provide a balance sheet?

10 A. Yes, I believe so.

11 Q. I would like to refer to Exhibit 4 to the  
12 application, and I would like you to indicate, if you  
13 know, who prepared this.

14 A. Bechtel & Cole I would say.

15 Q. Did you review it before it was filed with  
16 the FCC?

17 A. Yes.

18 Q. Do you recall making any changes to the  
19 language provided by Bechtel & Cole?

20 A. I don't remember. It certainly represented  
21 our position there if that's what you're trying to  
22 get at.

1           Q.    I'm just trying to get some information.  I  
2    would like you to refer to the broadcasting equal  
3    opportunity model program report that's included as  
4    part of application and signed by you.

5           A.    Yes.

6           Q.    Referring to Page 3 of that form, do you  
7    know who selected the organizations listed on that  
8    page?

9           A.    I don't remember.

10          Q.    Do you know if you participated in  
11   selecting any of those organizations?

12          A.    I really don't remember, but my guess would  
13   be yes, but that's a guess.

14          Q.    And referring to the engineering exhibit,  
15   specifically Page 25 of FCC Form 301, there's a  
16   description of the proposed tower site.

17          A.    Yes.

18          Q.    Can you tell me the circumstances that led  
19   to the selection of that site?

20          A.    We negotiated a lease for it, that's the  
21   site.

22          Q.    I want to back up.  Before you negotiated

1 the lease, I assume you went through some process of  
2 looking at potential alternatives?

3 A. We hired a broker, yes.

4 Q. Who was it on behalf of Adams that had  
5 dealings with that broker?

6 A. Me.

7 Q. What were your instructions to the broker?

8 A. Find a site given certain parameters.

9 Q. Did you negotiate for any other sites?

10 A. The broker may have. I didn't, I don't  
11 think. We talked -- the broker talked to other  
12 people I think, but --

13 Q. Do you know why it was decided to go with  
14 this particular site?

15 A. We negotiated it successfully with them.

16 Q. Referring to Page 30 in the FCC Form 301  
17 there's reference on that page to Mr. Steve Lubas of  
18 Conestoga Telephone and Telegraph Company.

19 A. Right.

20 Q. Do you recall whether you participated in  
21 any discussions with Mr. Lubas prior to the time the  
22 application was filed?

1 A. Yes.

2 Q. And at the time the application was filed,  
3 was there a written agreement or just an oral  
4 understanding?

5 A. I don't remember.

6 Q. Did Mr. Haag engage, to your knowledge, in  
7 any discussions with Mr. Lubas?

8 A. I don't remember.

9 Q. We have referred periodically to Monroe  
10 Communications. Were you an owner of Monroe  
11 communications?

12 A. I was a shareholder.

13 Q. Do you recall your percentage ownership  
14 interest?

15 A. No. Probably 15, but I don't remember.

16 Q. 15 percent?

17 A. I think so.

18 Q. I'd like you to refer to the document we've  
19 identified previously as Fickinger Exhibit 2 for  
20 purposes of a prior deposition, and this is a copy of  
21 an April 30th, 1990 amendment to the application of  
22 Adams Communications Corporation.

1 A. Uh-huh.

2 Q. And it appears that you signed that; is  
3 that correct?

4 A. I would guess so. I don't see my  
5 signature. Yes.

6 Q. Do you recall the purpose of this  
7 amendment?

8 A. Yes.

9 Q. What was the purpose?

10 A. To update the applications. This was filed  
11 years later, five years later roughly.

12 Q. I'd like to compare the ownership chart  
13 contained here with the chart contained in the  
14 original application. For Mr. Haag, the number of  
15 shares doubled while the percentage of ownership  
16 stayed the same?

17 A. Yes.

18 Q. How did it come that the number of shares  
19 doubled?

20 A. We issued more stock.

21 Q. Have you ever distributed stock  
22 certificates to the stockholders?

1           A.    They may be in the office.  I'm not sure  
2   where they are.  They've been assigned.

3           Q.    What occasioned the issuance of more stock?

4           A.    We were running expenses of the  
5   litigation.

6           Q.    The same appears to be true for yourself,  
7   for the Haag family partnership, for your family  
8   partnership and Mr. Fickinger, Mr. Steinfeld,  
9   Mr. Umans and Mr. Leibovitz?

10          A.    Right.

11          Q.    What about for Mr. Hill?

12          A.    Same thing.

13          Q.    Mrs. Woron?

14          A.    She didn't come up with more money.

15          Q.    So her percentage has been reduced?

16          A.    Right.

17          Q.    Mr. Podolsky?

18          A.    Same thing.

19          Q.    Same thing, he --

20          A.    Came up with money.

21          Q.    He came up with money.  Okay.

22               MR. HUTTON:  Off the record.

1 (Discussion off the record.)

2 Q. Exhibit 3 to that amendment in the second  
3 paragraph references the fact that the estimated  
4 budget is being increased from \$4.5 million to \$7  
5 million; do you recall that?

6 A. Yes.

7 Q. And who arrived at the conclusion that more  
8 money would be needed?

9 A. It was clear more money would be needed  
10 just because of inflation frankly, but we knew we  
11 would need more money.

12 Q. Who participated in that discussion?

13 A. I think the engineers, Haag, myself,  
14 Umans. I don't know if Fickinger did or not. We  
15 just knew we would need more money.

16 Q. Does the \$7 million include the costs of  
17 prosecuting the application?

18 A. It's what it says here, doesn't it?

19 Q. That's what it says, but I'm asking you --

20 A. I signed this statement, didn't I?

21 Q. Okay. So the answer is yes?

22 A. My reputation is when I sign something, it

1 means what it said.

2 Q. I didn't mean to offend you. I was just  
3 asking a question.

4 Your agreement with Bechtel & Cole, does  
5 that include a contingency fee arrangement?

6 MR. COLE: Objection. It's irrelevant.

7 BY MR. HUTTON:

8 Q. You can answer.

9 A. My counsel objected.

10 Q. He objected on the grounds of relevance,  
11 which means you can answer and his objection would  
12 stand.

13 A. I have no answer. My counsel has  
14 objected. I don't think our arrangements are part of  
15 your litigation. Do you want to ask the judge  
16 whether I can answer?

17 Q. Yeah, we'll do it tomorrow. He's gone for  
18 the day.

19 In the Monroe Communications case, did your  
20 agreement with the law firm include a contingency fee  
21 arrangement?

22 MR. COLE: Objection. Same instruction to



1 the witness, so we can put that off till tomorrow.

2 THE WITNESS: Are you getting paid in a  
3 timely fashion by Mr. Michael Barker?

4 BY MR. HUTTON:

5 Q. I'm not here to answer questions.

6 A. I think it's the same hutzpah frankly to  
7 ask those kinds of questions which intrude on the  
8 attorney-client privilege relationship, it's wrong,  
9 morally and ethically.

10 Q. I think it's a perfectly reasonable  
11 question.

12 A. We have different ethics.

13 Q. With respect to Monroe Communications, what  
14 were the circumstances that led to the formation of  
15 that organization?

16 A. We wanted to file a comparative renewal  
17 hearing in connection with Channel 44.

18 Q. And why was that?

19 A. Channel 44 wasn't serving the public's  
20 needs. It was taking the station off the public band  
21 and was charging for it. We believe that was  
22 contrary to the Communications Act.

1 Q. When you say we, who do you mean?

2 A. Haag, myself, Fickinger. I don't remember  
3 the others. Probably Steinfeld, Haag, everybody at  
4 the time we finished discussing it. There was a  
5 columnist in Chicago, his tirade was attacking the  
6 station for that purpose. Darby. I have been a  
7 student of the media for -- since 1950.

8 Q. The application as originally filed  
9 indicates that one of the radio stations you  
10 previously held an interest in was an FM station in  
11 Goulds, Florida?

12 A. Right.

13 Q. Did you acquire that station through a sale  
14 or through the application process?

15 A. Application, competitive hearing.

16 Q. When did that hearing take place?

17 A. Years and years ago, 20 years ago, I  
18 think. Howard Topal was our lawyer.

19 Q. Was he?

20 A. Mull & Ryan and whatever it was was our  
21 attorneys, yeah. He was a kid in the law firm.

22 Q. He's still a kid at heart.

1                   What was the outcome of the Monroe  
2   Communications case?

3           A.    We won the case in the Court of Appeals,  
4   and then we settled with the other side.

5           Q.    Is it fair to say that the settlement  
6   called for Monroe Communications to dismiss its  
7   application?

8           A.    Yes.

9           Q.    And why was the decision made for Monroe  
10   Communications to dismiss its application?

11          A.    Well, we were committed to, A, getting the  
12   channel back into the public. We succeeded in that.  
13   We were also committed to Hispanic broadcasting. We  
14   felt at that point there was going to only be one  
15   channel left, and they wouldn't deal with us and we  
16   were afraid of what was going to happen. Only  
17   Univision appeared to be the other channel at that  
18   point. Telemundo was going bankrupt.

19          Q.    At the time of the settlement, the existing  
20   station was operating with Spanish language  
21   programming; is that correct?

22          A.    Yes.

1 Q. Were they Telemundo or were they Univision?

2 A. Telemundo.

3 Q. Was there ever any consideration of Adams  
4 Communication -- I'm sorry, Monroe Communications  
5 operating with anything other than a Hispanic format?

6 A. I don't remember.

7 Q. I would like to refer you to what's been  
8 identified as Fickinger Exhibit 3, which is a copy of  
9 an order of the FCC release, December 24, 1992.  
10 Paragraph 3 of that order indicates in part, the  
11 parties now propose to settle this case. Under the  
12 terms of the settlement, Video 44's application would  
13 be renewed, and Monroe would dismiss its  
14 application --

15 A. Uh-huh.

16 Q. -- in return for payments totaling  
17 \$17,676,424 plus interest.

18 A. Uh-huh.

19 Q. Is that a fair summarization of the  
20 settlement?

21 A. Yes. I now understand the question.

22 Stupid question, yes.

1           Q.    I take it you received 15 percent of that  
2    amount?

3           A.    No.

4           Q.    To the best of your recollection, what was  
5    your payment or your portion of the payment?

6           A.    I don't remember what it came out to  
7    frankly. I just don't remember.

8           Q.    I'm sorry?

9           A.    I don't remember the amount.

10          Q.    If your interest was 15 percent, why  
11    wouldn't your percentage of the payment be 15  
12    percent?

13          A.    A lot of expenses in prosecuting this.

14          Q.    But your portion net of expenses was 15  
15    percent?

16          A.    Yes.

17               MR. HUTTON:   I have nothing further.

18               MR. COLE:    I have nothing else.

19

20

21

22

1 UNITED STATES OF AMERICA )

2 ss:

3 STATE OF ILLINOIS )

4 I, RENEE E. BRASS, RPR, CSR, and Notary  
5 Public within and for the State of Illinois do hereby  
6 certify:

7 That the witness whose deposition is  
8 hereinbefore set forth, was duly sworn and that the  
9 within transcript is a true record of the testimony  
10 given by such witness.

11 I further certify that I am not related to  
12 any of the parties to this action by blood or  
13 marriage and that I am in no way interested in the  
14 outcome of this matter.

15 IN WITNESS WHEREOF, I have  
16 hereunto set my hand this 22nd day of October 1999.

17

18

19

20 

---

Renee E. Brass

21 My Commission Expires:

22 February 7, 2001

## 1 INSTRUCTIONS TO THE WITNESS

2 Read your deposition over carefully. It is  
3 your right to read your deposition and make any  
4 changes in form or substance. You should assign the  
5 reason for any change made in the appropriate column  
6 on the errata sheet which follows.

7 After completing this procedure, please  
8 sign your name at the end of the errata sheet and  
9 date same. Then sign your deposition at the end of  
10 your testimony in the space provided.

11 You are signing it subject to the changes  
12 you have made in the errata sheet which will  
13 accompany the deposition. Unless otherwise agreed to  
14 by counsel to this deposition, you must sign the  
15 deposition before a notary public.

16 Return the original errata sheet and  
17 transcript to the deposing attorney (attorney asking  
18 questions) promptly! Court rules require this  
19 process be completed within 30 days after you receive  
20 the deposition. Thank you.

21

22

## 1 ERRATA SHEET

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22 WITNESS \_\_\_\_\_ DATE \_\_\_\_\_



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